

MINUTES OF THE MEETING OF THE  
SPRINGFIELD ECONOMIC DEVELOPMENT AGENCY  
HELD MONDAY, OCTOBER 18, 2004

The Springfield Economic Development Agency met in the Jesse Maine Meeting Room, 225 Fifth Street, Springfield, Oregon, on Monday, October 18, 2004 at 6:00 p.m., with Board Chair Tammy Fitch calling the meeting to order.

ATTENDANCE

Present were Board Chair Tammy Fitch and Board Members Sid Leiken, Dave Ralston, Anne Ballew, Christine Lundberg (6:07 p.m.) and John Woodrow. Also present were City Manager Mike Kelly, Economic Development Manager John Tamulonis and City Recorder Amy Sowa.

APPROVAL MINUTES

1. Minutes of October 11, 2004

IT WAS MOVED BY BOARD MEMBER WOODROW WITH A SECOND BY BOARD MEMBER LEIKEN TO APPROVE THE MINUTES FROM THE OCTOBER 11, 2004 SEDA MEETING. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

COMMUNICATIONS

1. Business from the Audience - None
2. Correspondence - None
3. Business from the Staff - None

REPORT OF CHAIR

REPORT OF COMMITTEES

OLD BUSINESS

- a. Further discussion of Mission Statement and Goals

Mr. Tamulonis said there had been discussion at the last meeting regarding the Mission Statement. Changes were made by Board Member Ballew which were incorporated in the new draft of the Mission Statement. He referred to those changes which were noted in red on the Mission Statement included in the agenda packet.

Board Member Fitch said she appreciated Board Member Ballew's efforts. Her changes helped to clear up the Goals.

IT WAS MOVED BY BOARD MEMBER LEIKEN WITH A SECOND BY BOARD MEMBER WOODROW TO APPROVE THE AMENDED MISSION STATEMENT AND GOALS OF THE SPRINGFIELD ECONOMIC DEVELOPMENT AGENCY (SEDA). THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

b. Further discussion of Modifications to SEDA By-Laws

Mr. Tamulonis discussed some changes resulting from last week's meeting that were now incorporated in the SEDA By-Laws. Regarding the issue of legal counsel, Mr. Tamulonis received an informal memo from City Attorney Joe Leahy stating that it would be a conflict for the legal counsel to be on the board or to be an officer of the board. There would, however, be no conflict for the office of Harold, Leahy and Kieran to represent both the City of Springfield and the Urban Renewal Board simultaneously. Both have similar goals and objectives, same members and same purpose.

Discussion was held regarding changes made following last week's meeting. It was determined to keep the section on Special Meetings as amended from the last meeting as it is in conformance with City Code regarding Special Meetings for City Council.

Further discussion was held regarding the by-laws with the following changes recommended by the board members:

- Article III, Section 1, Officers – remove “appointive legal counsel, appointive” . . . secretary
- Add Article VI – Administrative Support (to include references to legal counsel, personnel, and other consultants)
- Remove any reference of “legal counsel” from Article III and move it to new Article VI.
- Change Article VI, Financial to Article VII, Financial
- Change Article VII, Amendments to Article VIII, Amendments
- Article III, Section 7, Election or Appointment – add “and secretary”
- Article IV, Section 3, Quorum – Change “Four” to “A simple majority of” Board members
- Article IV, Section 4, Manner of Voting – remove by “roll call, and” the ayes and noes... Add “if requested by any board member” after ‘which may be by ballot’
- Article VIII, Amendments – The by-laws of the Agency shall be amended only with the approval “by a simple majority of Board members”
- Add “ABSTENTIONS” at end of roll call vote

Discussion was held regarding the Budget Committee for SEDA. The Budget Committee would consist of lay members and board members. Mr. Tamulonis said he was still waiting on clarity from the Finance Director and legal counsel on this item. He would bring that information back to the next SEDA meeting. One issue may be that the current Budget Committee members for the city may not want to serve on the SEDA Budget Committee. Discussion was held regarding the other members of the SEDA Budget Committee, the number needed and recruiting some of those members from the Glenwood community.

Mr. Kelly said they would check Oregon Budget Law to determine if it requires an equal number or a minimum number of lay people to be included on the Budget Committee along with the Board Members.

Discussion was held regarding the time line required for an amendment to the by-laws. It was determined it would remain ten days. Mr. Tamulonis will bring the amended by-laws

back to SEDA next week on October 25 for review and the board can adopt them on November 1. That gives time for 10 days notice.

Board Member Woodrow asked about insurance coverage of Board Members similar to that which covers them as City Councilors.

Mr. Tamulonis said at this time without a budget or the ability to sign contracts, such insurance is not yet needed. Should the ballot measure regarding the Urban Renewal District pass, insurance for directors and officers of the Urban Renewal Agency would be necessary. That would be part of the financial part of the Board and the auditors may do that. Finance Director Bob Duey told Mr. Tamulonis that the city has an independent auditor for both the city and the Metropolitan Wastewater Management Commission (MWMC), so there would be no conflict of interest.

### NEW BUSINESS

#### a. Appointment of Legal Counsel

Mr. Tamulonis said Harold, Leahy and Kieran could act as the attorney for the agency at the same hourly rate they charge the city. For general hours, they charge \$130.00/hour and for litigation they charge \$135.00. No retainer is necessary.

Mr. Kelly said the firm of Harold, Leahy and Kieran are interested in the work, but it is up to the agency to determine whether or not to have staff send out a Request for Proposal (RFP).

Board Member Woodrow said it would make sense to use their firm.

Board Chair Fitch asked if SEDA would have to request a loan from the city in order to hire an attorney and auditor.

Board Member Ballew said there would be a basis for repayment. It could be written in the contract or agreement regarding the obligation of payment once money comes into the agency.

Board Member Fitch said she wanted to make sure money was built in for staff time that could be paid back so it would not be subsidizing and taking away from other parts of city.

Board Member Ballew said hiring Harold, Leahy and Kieran may not look right without soliciting other bids from other attorneys.

Mr. Kelly discussed the difference in hiring auditors and attorneys. It makes sense to change auditors occasionally, but perhaps not the same with attorneys. The agency could benefit by doing an RFP to see if others have interest and would want to compete. It wouldn't hurt the firm's feelings and they would be very competitive.

Board Member Ballew said initially we may want to start with a package type of deal including bookkeeping, legal counsel and staff in a contract.

Mr. Kelly said one of the fundamental principals of the Urban Renewal District is to incur debt and pay it back. That could be in the form of a loan from the city. Revenue Bonds could also work as opposed to a General Obligation Bond.

Mr. Tamulonis said the agency would need some credit history before it could incur bonds.

Board Member Fitch said that if the agency were to hire a different attorney, it may take some time to get them up to speed on the issues; whereas the attorneys from Harold, Leahy and Kieran are already familiar with the issues.

Mr. Kelly said a different legal firm was hired for MWMC because of detailed expertise on federal regulations and other things that Dave Jewett, the attorney for MWMC, had developed over many years. The agency needs to determine when the expertise is needed and when general city attorney knowledge is most appropriate. The firm of Harold, Leahy and Kieran know the culture of the town and the City Council. Mr. Leahy does offer beyond legal advice, administrative legal advice. A different attorney may just answer legal questions and make legal interpretations. That would be the competitive edge for Harold, Leahy and Kieran. The charge may be the same for legal advice and administrative advice.

Board Member Lundberg said it is important to build a relationship with your attorney, as with a doctor. An auditor is different because they are looking at the agency in a critical mode. Your attorney is more your advocate. She has a tendency to trust someone who already has that relationship. She is not opposed to the RFP process, but it could be time consuming and costly.

Board Member Leiken said if we were going to send out an RFP, he would be concerned that the City Attorney might put out their higher rate.

Board Member Woodrow said even if the agency chose another law firm, the new attorney would need to consult with the City Attorney on certain issues. Having the same firm for both would save time and money and would be more economical.

IT WAS MOVED BY BOARD MEMBER WOODROW WITH A SECOND BY BOARD MEMBER RALSTON TO APPOINT THE LAW FIRM OF HAROLD, LEAHY, AND KIERAN WITH A CONTRACT TO TERMINATE DECEMBER 31, 2005 AT THE HOURLY RATES OF \$130/HOUR FOR GENERAL HOURS AND \$135/HOUR FOR LITIGATION. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

The contract with Harold, Leahy and Kieran will be brought to the next SEDA Meeting for execution.

- b. Letter requesting City Council to forward Draft Glenwood Urban Renewal Plan to affected Taxing Agencies

Mr. Tamulonis said a letter on pink paper had been distributed to the Board Members for their review. This letter would be forwarded from the board to the City Council authorizing the Mayor to send out a letter (distributed to board members on blue paper) to the other taxing agencies that would be affected by an Urban Renewal District. The proposed Urban Renewal District plan would be attached. The plan that would be forwarded is only the draft plan. Before the plan can be effective, it must be adopted by the Lane County Board of

Commissioners, which could occur on November 10. The City Council cannot take action on the plan until after the November 2 election, assuming the ballot measure passes. If Ballot Measure 20-92 passes, the City Council is scheduled to take action on the plan on November 15.

Board Member Ballew said there is still a lot of discussion that needs to occur on the draft plan.

Mr. Tamulonis said there would be ample time for discussion. The letter which accompanies the draft plan to the other agencies, requests comments provided to the City Council.

Board Member Leiken asked about the date the confirmation would be ratified by Lane County.

Ms. Sowa said the County Elections Officer has twenty days following the election to get the final results of the election to the city. The city would receive those by November 22 and a Special Meeting is scheduled for November 29 for the City Council to approve the Board of Canvassers report.

Board Member Woodrow asked if Springfield Utility Board (SUB), Eugene Water and Electric Board (WEB) or Emerald People's Utility District (EPUD) would receive the letter.

Mr. Tamulonis said they would not because they are not taxing entities. MWMC is listed, although they do not have any current taxes out now, but are an affected agency. He discussed the Goshen Rural Fire District which is included in this area.

IT WAS MOVED BY BOARD MEMBER RALSTON AND SECONDED BY BOARD MEMBER LUNDBERG TO AUTHORIZE BOARD CHAIR FITCH TO SIGN THE LETTER TO REQUEST CITY COUNCIL TO FORWARD A LETTER TO THE AFFECTED TAXING AGENCIES FOR THEIR REVIEW OF THE DRAFT URBAN RENEWAL AGENCY PLAN. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.

c. Discussion/questions regarding Draft Glenwood Urban Renewal Plan & Report

Board Chair Fitch suggested delaying this last item to the October 25 meeting. She asked board members to review the plan in detail before the next meeting. She asked that it could be the first item on next week's agenda.

Board Member Ballew asked if the plan was the same as the plan in their binder.

Mr. Tamulonis said there have been several changes by staff members. He will get those changes ready and sent out with the packets for the next meeting.

RESOLUTIONS

ADJOURNMENT

The meeting was adjourned at 6:55 pm.

Minutes Recorder – Amy Sowa

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Christine Lundberg  
Secretary